

## Message Text

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62 S  
ACTION L-03

INFO OCT-01 EUR-12 IO-13 ISO-00 SS-15 EB-07 SSO-00 SP-02

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O R 161831Z JUL 76  
FM USMISSION GENEVA  
TO SECSTATE WASHDC IMMEDIATE 1252  
INFO USMISSION USUN NEW YORK  
USMISSION OECD PARIS  
USMISSION EC BRUSSELS

C O N F I D E N T I A L GENEVA 5706

E.O. 11652: GDS  
TAGS: ECONOC EGEN EFIN  
SUBJ: 61ST ECOSOC - US PROPOSAL FOR INTERNATIONAL AGREEMENT  
ON ILLICIT PAYMENTS

REF: (A) STATE 175444, (B) GENEVA 5620, (C) GENEVA 5552,  
(D) GENEVA 5481, (E) BONN 11984

1. DURING THE WEEK OF JULY 12 TO 16, USDEL HAS APPROACHED ALMOST EVERY DELEGATION PRESENT IN GENEVA SEEKING SUPPORT FOR OUR PROPOSED DRAFT RESOLUTION ON ILLICIT PAYMENTS. CULMINATION OF THIS EFFORT WAS INFORMAL WORKING-LEVEL MEETING JULY 16 ATTENDED BY REPRESENTATIVES OF 14 INTERESTED DELEGATIONS, BOTH G-77 AND WESTERN. WE HAVE EMPHASIZED THE USG COMMITMENT TO EFFECTIVE ACTION IN THIS AREA AND THE HIGH-LEVEL POLITICAL SUPPORT THIS EFFORT ENJOYS. WHILE SEEKING THE VIEWS OF OTHERS, WE HAVE IN NO WAY INDICATED WILLINGNESS TO COMPROMISE ON ANY ESSENTIAL POINT IN THE PRESENT DRAFT. IN ACCORDANCE WITH REF A, WE HAVE ASSURED G-77 DELS THAT ACCELERATED WORK ON A BRIBERY TREATY IS NOT DESIGNED TO PREEMPT WORK ON A TNC CODE OF CONDUCT. WE HAVE ALSO STRESSED THE CRITICAL NATURE OF THE OPERATIVE PARAGRAPHS CALLING FOR THE PRO-

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POSED WORKING GROUP TO ATTEMPT TO ELABORATE AN INTER-

NATIONAL AGREEMENT.

2. TO SUMMARIZE THE VIEWS THAT HAVE BEEN EXPRESSED TO US  
(MANY OF WHICH HAVE BEEN REPORTED IN DETAIL):

(A) WEO GROUP: ITALY AND THE NETHERLANDS REMAIN COMMITTED TO SUPPORT OUR DRAFT RESOLUTION. THE FRG DELEGATION, DESPITE BONN'S NEGATIVE POSITION, IS BEING HELPFUL IN NOT CIRCULATING ITS PROPOSED AMENDMENTS (REFTEL E) OUTSIDE OF THE WEO GROUP. WITHIN THAT GROUP, HOWEVER, BONN'S POSITION SEEMS TO BE GAINING SUPPORT. UK, FRANCE AND JAPAN HAVE INFORMALLY INDICATED THEIR AGREEMENT WITH THE THRUST OF THE FRG POSITION.

(B) LATIN AMERICAN GROUP: IN SPITE OF INDIVIDUAL INDICATIONS OF SUPPORT FROM COLOMBIA AND BOLIVIA, THE LA'S APPEAR STILL TO BE COALESCING AROUND ASSIGNING TO THE EXPERT GROUP RESPONSIBILITY FOR STUDYING RPT STUDYING POSSIBLE WAYS OF COMBATING ILLICIT PAYMENTS. ACCORDING TO BRAZILIAN REP (WHO CONTINUES TO BE EXTREMELY HELPFUL) THEIR MAJOR CONCERN WITH OUR PROPOSAL AS IT STANDS INVOLVES THE COMPATIBILITY OF NATIONAL JURIDICAL SYSTEMS WITH AN INTERNATIONAL AGREEMENT IN THIS AREA.

(C) G-77 AS A WHOLE HAS NOT TAKEN A POSITION. IN THE JULY 16 MEETING, JAMAICA AND NIGERIA EXPRESSED RESERVATIONS ABOUT FOCUSING EXCLUSIVELY ON TRANSACTIONS WITH GOVERNMENTS AND EVEN OF ATTEMPTING TO AGREE ON INTERNATIONAL STANDARDS. IRAN CONTINUES TO BE EXTREMELY HELPFUL AND IN THE JULY 16 MEETING MADE A VERY POSITIVE SPEECH EMPHASIZING THE NEED FOR IMMEDIATE ACTION AND AGREEMENT AT THE TNC TO FOLLOW UP ON THE US PROPOSAL MADE THERE. HOWEVER, IRANIAN REP PARSI SAID THAT OUR PROPOSED DRAFT RESOLUTION FOCUSING ON "ILLICIT PAYMENTS IN INTERNATIONAL TRADE AND INVESTMENT TRANSACTIONS WITH GOVERNMENT" GOES BEYOND THE GA RESOLUTION 3514 (XXX) ON "CORRUPT PRACTICES OF TRANSNATIONAL AND OTHER CORPORATIONS, THEIR INTERMEDIARIES AND OTHERS INVOLVED." LATER IN A PRIVATE CONVERSATION WITH US, HE EXPRESSED FEARS THAT HE WAS GETTING OUT IN FRONT OF THE G-77 IN SUPPORTING US ON THIS ISSUE. HE  
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SAID THAT IT WOULD BE HELPFUL IF WE COULD PHRASE OUR RESOLUTION IN TERMS OF THE CONSENSUS GA RESOLUTION AND ASSIGN TO THE EXPERT GROUP THE MANDATE OF ELABORATING "AN INSTRUMENT" WITHOUT SPECIFYING WHETHER IT SHOULD BE A BINDING AGREEMENT OR NOT.

(D) SOVIET BLOC: USSR HAS EXPRESSED CONSIDERABLE INTEREST IN OUR RESOLUTION BUT AS YET HAS OFFERED NO COMMENT.

3. COMMENT: AFTER ONE WEEK'S INTENSIVE WORK IN GENEVA, THE PICTURE IS MIXED WITH ENCOURAGEMENT IN THAT NO ONE HAS OPPOSED THE GENERAL IDEA OF ESTABLISHING A WORKING GROUP BUT MAJOR DOUBTS AND RESERVATIONS HAVE BEEN EXPRESSED ABOUT THE BASIC MANDATE. GENERALLY SPEAKING THE G-77, LA'S IN PARTICULAR (MEXICO, BRAZIL, ARGENTINA, PERU) ARE DEEPLY FEARFUL THAT THE EFFORT IS TO PRODUCE INTERNATIONAL STANDARDS WHICH WOULD INFRINGE UPON THEIR NATIONAL JURIDICAL SYSTEMS AND RAISE FUNDAMENTAL CONSTITUTIONAL PROBLEMS.

USDEL IS OF COURSE NOT IN A POSITION TO ASSESS THE VALIDITY OF THE LA CONCERNS. IT IS CLEAR, HOWEVER, THAT WE NEED TO BE ABLE TO RESPOND TO THEM PERSUASIVELY. THIS WILL PROBABLY REQUIRE GETTING INTO THE CONTENT OF AN AGREEMENT, AS THE US SEES IT, IN GENERAL TERMS.

4. COOLNESS AMOUNTING TO OPPOSITION ON THE PART OF IMPORTANT WESTERN COUNTRIES, ESPECIALLY FRG AND JAPAN, OBVIOUSLY INCREASES THE HEIGHT OF THE HURDLES. WE ARE HELPED SIGNIFICANTLY BY GOOD PERSONAL RELATIONS WITH MOST KEY DELS, AND WILL CONTINUE VIGOROUS EFFORTS THE WEEK OF JULY 19. END COMMENT.

5. DEPT: PLEASE REPEAT OTHER POSTS AS APPROPRIATE.  
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## Message Attributes

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**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
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